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Poland

Agricultural Situation

Financial Compensation for Producers due to Avian Influenza Outbreak

2006

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Report Highlights:

The Polish government is finalizing legislative and administrative details to distribute to Polish producers, EU funds earmarked to provide aid to farmers negatively affected by the drop in demand for poultry products due to outbreaks of high-pathogenic Avian Influenza (AI).

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Warsaw [PL1] The European Union has earmarked funds to provide aid to farmers negatively affected by the drop in demand for poultry meat and eggs due to the outbreak of high-pathogenic Avian Influenza (AI) in the wild bird population. The Polish government is finalizing legislative and administrative details to distribute these funds to Polish producers. The details of the program, such as the required documentation to prove financial loss, will be developed by the Ministry of Agriculture and should be completed by the end of October 2006. The assistance will cover losses that occurred from October 2005 to April 2006. The EU regulation related to this aid is EC No. 1010/2006, dated July 3, 2006 with recent amendments No. 1256/2006, dated August 21, 2006.

Details of the Financial Assistance:

If Polish producers suffered financial losses because of the drop in consumer demand and prices for poultry due to the fear caused by the AI outbreak they will receive the following compensation:

- 1. If a producer destroyed hatching eggs of chicken broilers they will receive 0.54 zloty per egg. Compensation for duck and geese hatching eggs is 1.1 and 2.3 zloty per egg, respectively.
- 2. If a producer used or sold the eggs of hens that were to be used for meat production the producer will be given 0.54 zloty per egg for parent-type hens or 0.58 zloty for pre-parent type hens. If they sold these eggs for more than 0.12 zloty, than the amount that they will be compensated will be diminished by the selling price.
- 3. If eggs from laying hens went to processing rather than to direct consumer sale, farmers will receive 0.38 zloty per egg. If they sold these eggs for more than 0.12 zloty, than the amount that they will be compensated will be diminished by the selling price.
- 4. If a producer had to slaughter laying hens that were producing broilers before they reached 58 weeks of age, they will receive 12.4 zloty per hen.
- 5. If a farmer had to completely suspend production for more than three weeks, then they will receive 1.5 zloty per square meter of their chicken house per week for chicken broilers and 1.3 zloty per square meter for turkey broilers.

FAS Warsaw will provide a future report detailing the outcome of the program, including its level of use.